



NSX Silver Inc. (NSY-TSXV)

Initial Report – April 17, 2012

NSX Silver Inc. is a Canadian mining and exploration Company focused on advancing its Dios Padre Silver property in east central Sonora State, Mexico, from which 16 million ounces of silver were mined between the early 1700s and 1910.

Results from a recently completed geophysics and geochemical program at Dios Padre identified, next to the historically mined Santa Gertrudis open pit, six interesting anomalies. Four anomalies contained high values of copper, gold, silver and arsenic, while one other was a strong lead sulfide zone. The geophysical survey also revealed a very large conductive anomaly of 600 metres wide by 800 metres long with a depth of at least 300 metres. NSX commenced a drill program to test these anomalies in March of 2012 from which first results are expected to be released this month.

Based on historic exploration programs, sampling and historic resource estimates, the Company targets to get a resource estimate of at least 60 million ounces of silver at Dios Padre's primary zone, which may be mined relatively easily, and thus cheaply as either an open pit or bulk tonnage underground operation.

NSX Silver has an Enterprise Value per Gold Equivalent Resource of \$6.34, while three of its peers trade at a discounted average Enterprise Value per Gold Equivalent Resource of \$20.25, or 3.19 times higher than NSX Silver's. Based on these numbers and the Company's significant upside potential, we initiate coverage of the Company with a buy recommendation and a price target of \$0.83 or 319% higher than today's 20-day average stock price.

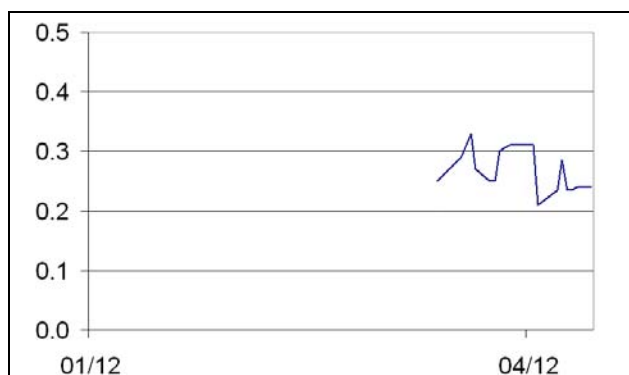


✓ NSX Silver has approximately \$3.5 million in the bank, which is enough to complete the drilling program and to further advance Dios Padre in the coming quarters.

✓ The Company has a strong management team with the right balance of financing and mining experience. Mr. van Hoof, the Chairman and CEO, has solid connections in the financial markets and its CFO, Mr. Glenn Holmes, helped raise a quarter of a billion dollars for a previous mining company he was employed at.

✓ Mr. van Hoof controls close to 11.1 million shares, or about 23.8%. It's a big plus when the management of a company is a major shareholder, as it will try to advance the company, and its share price, while keeping dilution to a minimum.

✓ Another big shareholder is Sprott Asset Management, which subscribed to 8,627,451 shares in a private placement. Sprott controls approximately 19% of the issued and outstanding shares of the Company.



Market Data

Price	C\$0.24
Sector	Metals & Mining
52-Week Price Range	C\$0.25 - C\$0.33
Shares Issued (m)	45.43
Market Cap (m)	C\$10.90
Listings	NSY.V (TSX Venture)
Website	http://www.nsxsilver.com

The Company

NSX Silver Inc. was incorporated under the Canada Business Corporations Act on August 9, 2011 as a wholly owned subsidiary of NSGold Corporation (NSX: TSXV). It became listed on the TSX Venture Exchange in March of 2012, with the symbol NSY, after it was spun-out from NSGold. As a result, whenever we write about, or refer to, events in this report that occurred before the spin-out, we'll use the name NSGold Corporation and not NSX Silver Inc.

NSX Silver is focusing all its resources on its Dios Padre Silver property in east central Sonora State, Mexico, from which 16 million ounces of silver (today worth approximately US\$520 million) was mined between the early 1700s and 1910.

NSX Silver has approximately \$3.5 million in the bank, which is enough to complete all ongoing activities and to further advance Dios Padre in the coming quarters.



The actual Dios Padre open pit mill site. Note on the right the ore stockpile and old constructions of previous owners.

Spin-Out

In July of 2011, NSGold initiated the process to split its Mexican silver assets, located in Mexico, and its gold, base metals and rare earths properties, located in Nova Scotia, Canada. NSGold's management took this decision for two main reasons. First, the share price of NSGold at the time only reflected its cash position and its Nova Scotian assets, which made it difficult to execute corporate transactions at a fair price. And secondly, some potential investors are only interested in investing in either a silver company or a gold company and not both.

As a result, a new Company called NSX Silver Inc. was incorporated in August 2011 as a wholly-owned subsidiary of NSGold.

At an Extraordinary General Meeting late 2011, an overwhelming 99.98% of shares voted in favor of distributing the shares of the new Company as a tax free Reduction of Capital. This was important, because this way the distribution of the shares was treated as non-taxable for most of NSGold's shareholders where in most other cases, withholding tax would have to be paid.

Prior to the actual distribution record date of the new shares, NSX Silver acquired all the Mexican mining concessions and silver exploration activities from NSGold.

On March 16, 2012, NSGold's shareholders received one share of NSX Silver Inc. for every share of NSGold Corp. they owned. The Board of Directors and management team of both companies is identical, with overheads split equally at the time of the spin-out. NSGold will continue to hold approximately 2,015,000 shares of NSX Silver to fulfill its obligations towards warrants and options holders of NSGold.

Dios Padre

Introduction

The Dios Padre property is located in east central Sonora State, Mexico approximately 275 km from the capital city, Hermosillo. The project lies in the Sierra Madre Occidental, which is the host of significant gold and silver deposits, including those found in the nearby Sahuaripa, Mulatos, Dolores and Ocampo mining districts. The property can be reached via a 25 km gravel road north off of Hwy 16. Electrical power is generated with diesel generators.

The property is made up of three contiguous concessions covering an area of 285 hectares. In July and September of 2011, NSGold staked an additional 3,000 and 2,500 hectares respectively, because the Company's geologists also saw potential in areas outside the original three concessions.

Dios Padre has a long and vivid history as a high grade producing open pit mine. 16 million ounces of silver is reported to have been mined between the early 17th century, which were operations directed

by Jesuits, and more organized mining efforts under L.V. Limited between 1860 and 1910.

The silver deposit is hosted inside a breccia pipe, which is a volcanic structure that intrudes into surrounding rock. Meaning that the structure extends deeper where the potential for more valuable metals may be found.

The open pit part of the Dios Padre Silver Mine has been the subject of numerous reviews and evaluations, while only speculative estimates exist for the underground part of the property.

The Company recently completed an exploration program through mapping and sampling on the surface as well as through conducting geophysics and geochemical work. Results identified, next to the historically mined Santa Gertrudis open pit, six interesting anomalies. Four anomalies contained high values of copper, gold, silver and arsenic, while one other was a massive lead sulfide zone. The survey also revealed a very large conductive anomaly of 600 metres wide by 800 metres long with a depth of at least 300 metres. NSX commenced a drill program to test these anomalies in March of 2012 from which first results are expected in April.

Based on historic exploration programs, sampling and historic resource estimates, the Company targets to get a resource estimate of at least 60 million ounces of silver at Dios Padre's primary zone, which can be mined relatively easily, and thus cheaply, as an open pit. Moreover, it potentially holds millions of ounces more in the underground and other high potential zones.

The Dios Padre Mine has apparently become associated with the romanticised legend of the "lost" Tayopa silver mine. This mine was reputedly of fabulous grade and is also associated with buried silver bars hidden by the Jesuits. Though admittedly intriguing, the legend has no bearing on this report.

History

The earliest known workings at Dios Padre were carried out by the Jesuits in the 17th Century. They mined approximately 7,000 tonnes of ore from rich, near-surface veins between 1603 and 1650.

In 1860, the mine was again brought into production by a British company called L.V. Limited (LVL). Research suggests that LVL mined 640,000 tons of ore yielding approximately 16 million ounces of silver. These operations were abandoned in 1910

during the civil strife caused by General Pancho Villa.

After 1910, the property has had many owners of which five conducted a drill program. The first of those programs tested the potential for a porphyry copper system, while the four others targeted the silver bearing mineralized zones.

Drilling Program	Year	Holes & Metres
Cananea Consolidated Copper Corp.	1946	2 holes, each about 245 metres. Drilled below the Santa Gertrudis level
Derek Johnston	1965	8 holes, metrage not documented
Anderson Bros. for Sahuaripa	1966	8 surface holes and 2 underground holes. Metrage not documented
Silver Standard	1996	10 holes for 1,417 metres
First Majestic	2006	17 holes for 2,216 metres
Summary of five drill programs conducted at Dios Padre. Except for the Silver Standard work, the results are not available or incomplete. Note that these results are not compliant with NI 43-101 because they predate the Instrument and are not documented with logs or assay reports.		

Between 1946 and 1947, the Cananea Copper Corporation drilled two diamond drill holes with a total depth of 490 meters. The company reported copper mineralization from the top to the bottom of each of the drill holes indicating the potential for an underlying porphyry system.

In historic geological reports, the mineral resources are reported to contain 3.08% lead and 0.55% copper along with recoverable amounts of gold. Based upon these reports, and past production payments, NSX Silver considers the copper and lead potential a significant opportunity.

In 1964, the property was purchased, rehabilitated and reopened by Sahuaripa Mining Company. The company installed a pilot plant for processing high grade ore from the open pit at a rate of 100 tonnes per day. The plant is reported to have yielded recoveries of up to 87% for silver and 80% for lead and copper. Part of this plant remains on site but would require extensive rebuilding to be of use.

One year later, Geologist Derek Johnston drilled eight short holes of which three intersected 'significant' silver values. Unfortunately, exact data is missing.

In 1966, eight surface holes and two underground holes were drilled for Sahuaripa. Although reporting is incomplete, the work included extensive underground mapping and sampling in addition to drilling. Based on this underground information, the geological consultancy McKay & Schnellman calculated a resource model with resources larger than any other study.

In the late 1960s, Dios Padre, through a series of transactions, became available to Mr. Buddy Jack Kennemur.

Mr. Kennemur first optioned the property to Silver Standard Exploration Ltd, which drilled 10 holes, totaling approximately 1,417 metres. Although the work was conducted and reported with standards and personnel comparable to NI 43-101, it predates the inception of the National Instrument, making it non-compliant. The results show the presence of barren blocks within the stock and undercut the plunge line or down dip termination.

Hole Number	From (m)	To (m)	Interval (m)	Grade Au g/t	Grade Ag g/t	Grade Pb %
FMR-1	85.4	87.8	2.4	0.07	371.5	0.51
FMR-3	127.0	153.5	26.5	0.14	185.5	1.54
FMR-4	115.0	126.3	11.3	0.12	231.8	0.31
and	138.0	152.9	14.9	1.84	4.0	0.08
FMR-6	67.7	104.5	36.8	0.28	318.1	1.68
FMR-7	68.4	75.2	6.8	0.08	234.9	0.59
FMR-8	34.5	41.8	7.3	0.02	184.7	4.89
and	62.3	69.0	6.7	0.08	364.7	3.00
FMR-11	0.00	44.2	44.2	0.28	153.8	1.74
FMR-12	76.1	112.6	36.5	0.16	332.2	0.75
FMR-13	65.5	72.1	6.6	0.08	87.8	2.41
FMR-15	48.4	88.0	39.6	0.10	419.9	0.22
FMR-17	59.9	79.4	19.5	0.07	375.0	0.72

Drill intercepts from the 2006 First Majestic drill program. Holes not mentioned intercepted no mineralization. Source: Company Filings.

First Majestic drilled 17 holes, totaling 2,216 metres, targeted to infill resource block areas based on the Silver Standard drilling. Gold values were locally significant and were peripheral to the key silver targets, suggesting potential for a larger more uniform tonnage. Due to low gold and silver prices, First Majestic declined to continue to work on the property and as a result, Mr. Kennemur remained the owner of the property.

Dios Padre Acquisition

NSGold signed an option agreement with Mr. Kennemur in April of 2011. The Company can

acquire a 100% undivided interest for a total of US\$6 million payable over a five year period. In addition, the seller will receive 1.25 million common shares of NSGold, payable in five equal tranches over a 5-year period.

The property is also subject to a 3% net smelter royalty in favor of the vendor, two thirds of which may be repurchased by NSGold at any time prior to the commencement of commercial production by the payment of US\$2 million.

NSGold transferred the mineral rights to its Mexican subsidiary, Cia Minera Oso Blanco S.A. de C.V. In connection with the “spin out” of NSX Silver, the option agreement with Mr. Kennemur was assigned to NSX Silver.



The Dolores gold/silver mine is owned by Minefinders Corp. and hosts 4.6 million ounces of gold and 270 million ounces of silver. The Ocampo mine, which is owned by Gammon Gold, contains 2.9 million tons of proven and probable reserves, graded at 3.58g/t gold and 177g/t silver. And Fontera Copper’s Piedras Verdes mine is estimated to yield 727 million lbs of copper by 2024.

Regional Geology

Dios Padre is located in the Sierra Madre Occidental, in a Cretaceous Volcanic Suite which is regionally grouped as the ‘Lower Volcanic Sequence’. These rocks are overlain, and completely covered to the east, by a Tertiary sequence of Rhyolite tuffs and basalts regionally grouped as the Upper Volcanic Sequence.

The interface between these sequences, and in particular the upper parts of the Lower Volcanic Sequence, is the host environment for significant gold and silver districts including the nearby Sahuaripa, Mulatos, Dolores and Ocampo Districts

and further south the El Sauzal Discovery. Although the setting of these deposits varies, they all occur within the same highly prospective interval and show a combination of structural and lithostratigraphic controls.

The known prospects are localized in the Dios Padre porphyry and are highlighted on surface by extensive areas of alteration in the surrounding rock. Similar zones have been seen in other areas on and near the property. These alteration zones show the characteristics commonly associated with a large mineralized system and are similar to the main Dios Padre breccia or collectively a larger porphyry copper/gold target.

Because areas with significant potential were also seen outside the Dios Padre concessions, NSGold staked an additional 5,500 hectares in the vicinity of the property. These zones are predominantly characterized by outcroppings of Intermediate Volcanics intruded by Porphyritic Breccias similar to the rocks found on the Dios Padre claims.

Exploration Programs

In November and December of 2011, a geological survey was conducted at Dios Padre, which included a geochemical rock sampling program, a ground-based 3D **Induced Polarization/Resistivity** geophysical survey in conjunction with a magnetic survey.

INDUCED POLARIZATION

Induced polarization (IP) is a geophysical imaging technique used to identify subsurface materials. It's a valuable tool for base-metals and gold exploration because it can narrow down drill targets on a vast exploration property. As a result, drill efforts can be concentrated on those areas instead of "drilling blind".

During an IP survey, an electrical current is induced into the subsurface through two electrodes, which charges the surfaces of metallic minerals in the ground. Once the current is switched off, the voltage decays, but the ground is left with a small storage of energy. This amount of stored energy gives clues into what minerals lie below the surface.

Rock samples from all over the property indicated anomalous silver and gold values occurring over a

broad area within the project site. Of particular significance were assay results from two channels (30 and 35 metres long) in the historically-mined Santa Gertrudis open pit. The two channels yielded silver values of 103 grams of silver per tonne (3.3 ounces per ton) with 2.08% lead over 35 meters and 178 grams of silver per tonne (5.7 ounces per ton) with 3.3% lead over 30 meters.

Sample Number	Silver (g/t)	Lead (%)	True Width (metres)
Lower Level			
DP-11	79	3.30	5
DP-12	175	2.34	5
DP-13	139	1.57	5
DP-14	94	2.34	5
DP-15	173	3.37	5
DP-16	28	0.98	5
DP-17	33	0.64	5
Average	103	2.08	35
Upper Level			
DP-20	143	2.82	5
DP-21	274	4.38	5
DP-22	261	4.79	5
DP-23	245	4.34	5
DP-24	21	1.19	5
DP-25	122	2.25	5
Average	178	3.30	30

These values are derived from two continuous channel samples and were taken across strike, in the pit wall; one (lower level) 35 meters and the other (upper level) 30 meters in length. This initial sampling program is part of the study to establish benchmarks for NSGold's upcoming exploration program.

Interesting to note are the lead values in these samples. At a 2.00% lead content per tonne, which is conservative based on the results above, one tonne of ore would contain approximately 44 pounds of lead. At today's official lead price of US\$0.92 per pound, these samples contain about \$40 worth of lead per tonne. That amount would already make up some of the mining and milling costs. Of course, more work will have to be done to determine if these lead values are consistent.

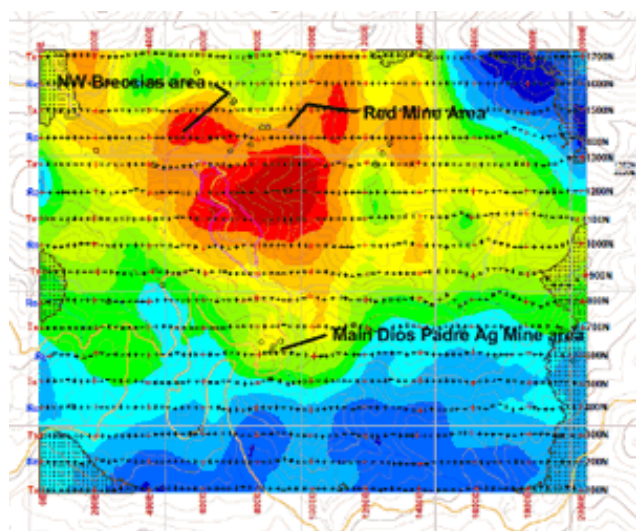
Average Lead Content per Tonne	2.00%
Pounds of Lead per Tonne	44
Current Price of Lead per Pound	\$0.92
Current Value of Lead per Tonne	\$40.48

Analysis of the survey results identified seven very interesting anomalies at the property. The first

anomaly was logical, as it was the Santa Gertrudis open pit, which was the focus of historic mining activities at Dios Padre.

Four other surface anomalies contained high values of copper, gold, silver and arsenic (a pathfinder element in gold exploration), while one other was found to be a massive lead sulfide zone.

Finally, the survey also revealed a very large conductive anomaly of 600 metres wide by 800 metres long with a depth of at least 300 metres, which is the limit of the effective range of the survey method. This mass lies just to the north of the most recent historic mining operations and obviously represents a prime target.



The ground-based geophysical survey at Dios Padre disclosed a large chargeability anomaly 800 m north of the known Dios Padre mineralized zone. Drilling will determine what the anomaly contains.

Drilling Commenced

Mid March of this year, NSX commenced its first drill campaign at Dios Padre to test the high potential of the anomalous gold-silver-copper zones, which were identified during the ground-based geophysical survey late last year. First results are expected in April.

Seven holes, totaling 2,000 metres, will initially be drilled to test these areas. Subsequently, thirty more holes are planned to be drilled, totaling approximately 8,000 metres. In this second phase, the focus will be on the Santa Gertrudis open pit and on the areas returning promising results from the initial drill phase.

NSX Silver is sufficiently funded to complete all these programs.

Balance Sheet as of November 30, 2011

Since the spin-out no new financial results have been filed. These are expected in the second half of April. As a result, it's not possible to give an accurate picture of the Company's balance sheet at this moment.

In the table below, you can find NSX Silver's balance sheet on November 30, 2011 like it was published in the final prospectus of the spin-out. The one thing we can add is that the current cash position is about \$3.5 million.

	11/30/11
Cash and Cash Equivalents	100
Sales tax receivables	10,575
Deferred share issuance costs	119,420
Total Assets	130,095
Accounts Payable & Accrued Liabilities	109,602
Amounts due to parent company	32,708
Total Liabilities	142,310
Total Stockholder deficiency	12,215
Most current balance sheet data for the period ending June 30, 2011. Source: Company Filings	

Sprott Private Placement

In August of 2011, certain funds managed by Sprott Asset Management subscribed for 8,627,451 shares of NSGold at a price of \$0.51 per share, for gross proceeds to NSGold of \$4.4 million. The proceeds of this financing were earmarked for NSX Silver. That's the main reason why NSX Silver now has a comfortable \$3.5 million in the bank.

Gaining Sprott as a shareholder has several positive facts. First, Sprott is a long-term focused shareholder with an excellent reputation. Sprott Asset Management LP, and its founder Eric Sprott, are among the best known names in the precious metals investment industry. Both have been awarded many times over the past years with their excellent performance. Additionally, before making this investment, Sprott conducted a due diligence review of the Dios Padre asset. So by actually subscribing to the financing, we have third party confirmation of its potential.

Sprott controls approximately 19% of all issued and outstanding shares of NSX Silver.

Outlook & Valuation

NSX Silver Inc. currently owns Dios Padre and has a clear path to becoming 100% owner of the silver property in Sonora State, Mexico.

In March of 2012, NSX Silver commenced a drill campaign to test seven anomalies that were identified through geophysics and geochemical work conducted late 2011. We look forward to the first analytic results in April and especially to the ones from the large conductive anomaly of 600 by 800 metres. During a phase II program, 30 holes will be drilled, that will focus on the Santa Gertrudis open pit and on the above mentioned anomalies which returned promising results during the initial drill phase.

NSX Silver has approximately \$3.5 million in the bank, which is enough to complete the ongoing drilling program and to further advance Dios Padre in the coming quarters.

Based on historic exploration programs, sampling and historic resource estimates, the Company targets to get a resource estimate of at least 60 million ounces of silver at Dios Padre's primary zone, which can be mined relatively easily, and thus cheaply as an open pit. Moreover, it potentially holds millions of ounces more in the underground and other high potential zones.

Peer Comparison

In order to determine the fair value of NSX Silver, we will assume a resource estimate of 60 million ounces of silver. That's the number the Company targets and given all the potential that's present at the property, we believe that number will be reached.

Based on that estimate, we've calculated the Enterprise Value per Gold Equivalent Resource for NSX Silver and compared it with three companies that have gold/silver properties in Mexico with an NI 43-101 compliant resource estimate. Also, one of them has a project that recently entered production, which might give us an indication where the stock valuation of NSX Silver is headed.

Kimber Resources Inc. (KBR: TO) owns a 100% interest in the Monterde gold/silver project located in

the Sierra Madre, Mexico. Kimber Resources has a NI 43-101 resource estimate for this property.

SilverCrest Mines Inc. (SVL: TSX) owns a 100% interest in the Santa Elena Mine, which is located 150 km northeast of Hermosillo, in the State of Sonora, Mexico. Its other advanced mines in Mexico are Cruz De Mayo and La Joya. SilverCrest has a NI 43-101 resource estimate for Santa Elena and Cruz De Mayo and commenced production at Santa Elena.

Oroco Resource Corp. (OCO: TSX) is a Canadian-based mineral exploration company with its primary focus on the accelerated development of the gold-bearing oxide zones of its Cerro Prieto Project. The Cerro Prieto project consists of a group of 100% owned concessions comprising over 7,000 ha in northern Sonora State, Mexico and also has an NI 43-101 compliant resource estimate.

Company	Stock Price	EV (M)	Gold Eq Oz (M)	EV/Resource
Kimber	1.02	75.88	1.65	46.13
SilverCrest	2.62	196.95	2.35	83.66
Oroco	0.29	17.09	0.51	33.59
Average				54.46
NSX Silver	0.26	8.28	1.15	6.34

Enterprise Value per Gold Equivalent resource comparison for NSX Silver and three of its peers. Source: Filings from each company and Smallcaps.us calculations. Gold Equivalent values are based upon a Ag:Au price ratio of 52:1.

The Enterprise Value per Gold Equivalent Resource is a measure of a company's market capitalization relative to its total estimated gold equivalent in the ground. We took the volatility of the stock price into account by using the 30-day average closing price. Note that we used the 20-day average for NSX Silver as the stock has only been trading for that period.

Valuation

The table above shows that for NSX Silver each assumed ounce of gold equivalent in the ground is valued at \$7.17.

At the same time, the market assigns an average value of \$54.46 per ounce of gold equivalent for the three peers, or more than 7.5 times NSX Silver's value. We realize that the higher valuations are somewhat justified as those companies have NI 43-101 compliant resource estimates or, as in SilverCrest's case have recently entered production.

Nevertheless, the difference is substantial, and, if nothing else, it shows the potential influence of Dios Padre's resource on NSX's stock price.

So in order to calculate a peer Enterprise Value / Gold Equivalent benchmark for NSX Silver, we'll apply a 75% discount to SilverCrest's valuation and a 50% discount to both Kimber's and Oroco's valuations. These discounts lead to an average value for the three peers of \$20.25.

The average Enterprise Value per Gold Equivalent for the three peers is \$20.25. Using this number, we conclude that NSX Silver is approximately 319% undervalued compared with its peers.

Based on these calculations and the Company's significant upside potential, we initiate coverage of NSX Silver with a buy recommendation and a price target of \$0.83 or 319% higher than today's 20-day average stock price.

Share Data & Ownership

As of March 31, 2012 NSX Silver has 45,429,571 common shares issued and outstanding. NSGold holds about 2 million additional shares of NSX Silver because NSGold has 1,290,196 warrants outstanding, which were given to their holders prior to the spin-out. These warrants entitle the holders to one share of NSGold and one share of NSX Silver upon exercise.

Two entities each control over 10 percent of the common shares of the Corporation. First, Van Hoof Industrial Holdings Ltd. (VHIH), a private Company controlled by Mr. van Hoof owns close to 11.1 million shares, or about 23.8% of the issued and outstanding common shares.

In a letter to shareholders, which was published late 2011, we learned that Mr. van Hoof purchased over one million shares of NSGold during 2011, both through the exercise of warrants and via open market transactions. It's a big plus when the management of a company is a major shareholder, as it will try to advance the company, and its share price, while keeping dilution to a minimum.

The second significant shareholder of the Company's common stock is Sprott Asset Management. Certain Sprott funds and managed accounts subscribed to 8,627,451 shares of NSGold at \$0.51 per share in August of 2011. Sprott now

controls approximately 19% of all issued and outstanding shares of NSX Silver.

Management

➤ Hans van Hoof - President, CEO and Chairman of the Board of Directors

Mr. van Hoof has held senior positions at various European financial institutions, including PVF Pension Funds, Paribas Capital Markets and Bankers Trust. His roles during the past 22 years include senior Portfolio Manager, senior Risk Manager, Deputy Head of global equity derivatives, Managing Director responsible for M&A arbitrage, derivatives arbitrage and venture capital investments as well as Chairman and Senior Executive Officer of Soros Funds Limited in London. In 2002, Mr. van Hoof founded VHC Partners alternative investment management group, active in hedge fund management, corporate and project finance advisory services, private equity investments and charitable projects.

➤ Glenn Holmes - Director and CFO

Glenn Holmes has more than 23 years experience in the financial management of listed junior mining companies including equity financings, debt financings, corporate acquisitions, mining feasibility studies and financial restructurings. Mr. Holmes most recently served as Chief Financial Officer and Vice-President Finance of Etruscan Resources Inc. (TSX) where he played a lead role in securing a US\$100 million combined structured debt financing and gold hedging facility for the development of an 80,000 ounce per annum gold mine located in West Africa. Previously Mr. Holmes was Vice-President Finance and Secretary-Treasurer for NovaGold Resources Inc. (TSX). He holds a B.Comm. and is a member of the Institute of the Chartered Accountants of Nova Scotia.

➤ Grant Loon - Director

Mr. Loon has over 12 years of experience in trading and operations roles within financial institutions and alternative investment management firms. As partner and Chief Operating Officer of VHC Partners, Mr. Loon had responsibility for the establishment and oversight of the group's operations. More recently, his roles have included establishing a multi-fund operations infrastructure and risk management framework while working as COO for a Stockholm based hedge fund management company and various consultancy engagements within investment management and financial services related industries. Prior to joining VHC, Mr. Loon worked at

Morgan Stanley & Co International, Commerzbank Global Equities and Soros Funds Limited.

➤ **James Proudfoot - Director**

Mr. Proudfoot has more than 45 years experience in the mining industry as a mining engineer and independent consultant. He has held senior production management positions with several mining companies, including Noranda Mines as a production engineer and Mine Superintendent and Chief Engineer for Anaconda America Brass Ltd at the Caribou mine. His career spans all facets of the industry from exploration through project design and construction to operations management. Mr. Proudfoot served in executive management functions with mine development contractors, as Vice President Finance of J. S. Redpath Ltd. and Manager of Mine Contracting with The Cementation Company (Canada) Limited. Mr. Proudfoot is a Qualified Person and will be responsible for any

development of a mine plan and mine design, if required, as well as providing oversight to a project management system to ensure that adequate procedures are in place and that best available technologies are applied in all the Resulting Issuer's design and construction practice, as required.

➤ **John Hedges – Senior Technical Advisor**

Mr Hedges is a geologist and minerals economist with over thirty-five years of experience in the mining industry. He was Vice President of project finance for Westpac Banking Corporation in New York and was also a mining analyst with the Canadian Export Development Corporation where he was involved with providing project financing to a number of large copper/gold projects that were developed in the 1980s and 1990s. In recent years Mr. Hedges has been a consultant to the mining industry and has provided services to a number of listed and private companies.



TSX Venture Exchange: NSY

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